



HR Benefits Presents:

**High - Deductible vs Low - Deductible  
Health Plan:**

**How to Decide What's Right for You**

**August 24, 2023**

# How to Choose From Orange County's Health Insurance Plans

## Your 2024 Plan Options:



HDHP

OrangePrime Plus Plan - High  
Deductible Health Plan  
(HDHP)



HSA

OrangePrime Plus - Health  
Savings Account (HSA)



LDHP

OrangePrime - Low  
Deductible Health Plan  
(LDHP)

# OrangePrime Plus Plan High Deductible Health Plan (HDHP)



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A HDHP carries a higher deductible, which must be met before your plan benefits kick in for anything beyond in-network preventive and wellness care services, including tests, screenings, and annual well-patient exams.



The HDHP has a deductible of \$1,600 for individual coverage and \$3,200 for family coverage in network.



High-deductible plans typically have higher out-of-pocket maximum limits, but once you reach that limit each year (including what you pay for your deductible, copayments and coinsurance), the insurance pays 100% of the allowable amount for the rest of the calendar year.



The annual out-of-pocket total can't exceed \$3,000 for individual plans and \$6,000 for family plans, excluding out-of-network services.



While you'll pay more for your deductible, you do get the benefit of a lower premium. That's a plus if you stay healthy and never need to meet your deductible or the maximum out-of-pocket limit.



The other big advantage of high-deductible plan is that it is powered by a health savings account (HSA), to help you manage your health care costs.

# OrangePrime Plus - Health Savings Account (HSA)



## Remember County Provides

- Employee Only **\$750**
- All other tiers **\$1250**



A health savings account (HSA) is a tax - advantaged account that you own for the purpose of paying qualified medical expenses for yourself, your spouse, and your dependents, including:

- Medical
- Pharmacy
- Dental
- Vision
- Durable medical supplies



HSAs come with some great tax incentives to encourage you to save as it can reduce your taxes:

- Money deposited pre-tax and grows tax free as you pay no tax on the interest you receive.
- Withdrawals for eligible medical expenses are tax-free.
- Beginning at age 65, you can withdraw money from an HSA for any reason with no tax penalty by paying income tax.

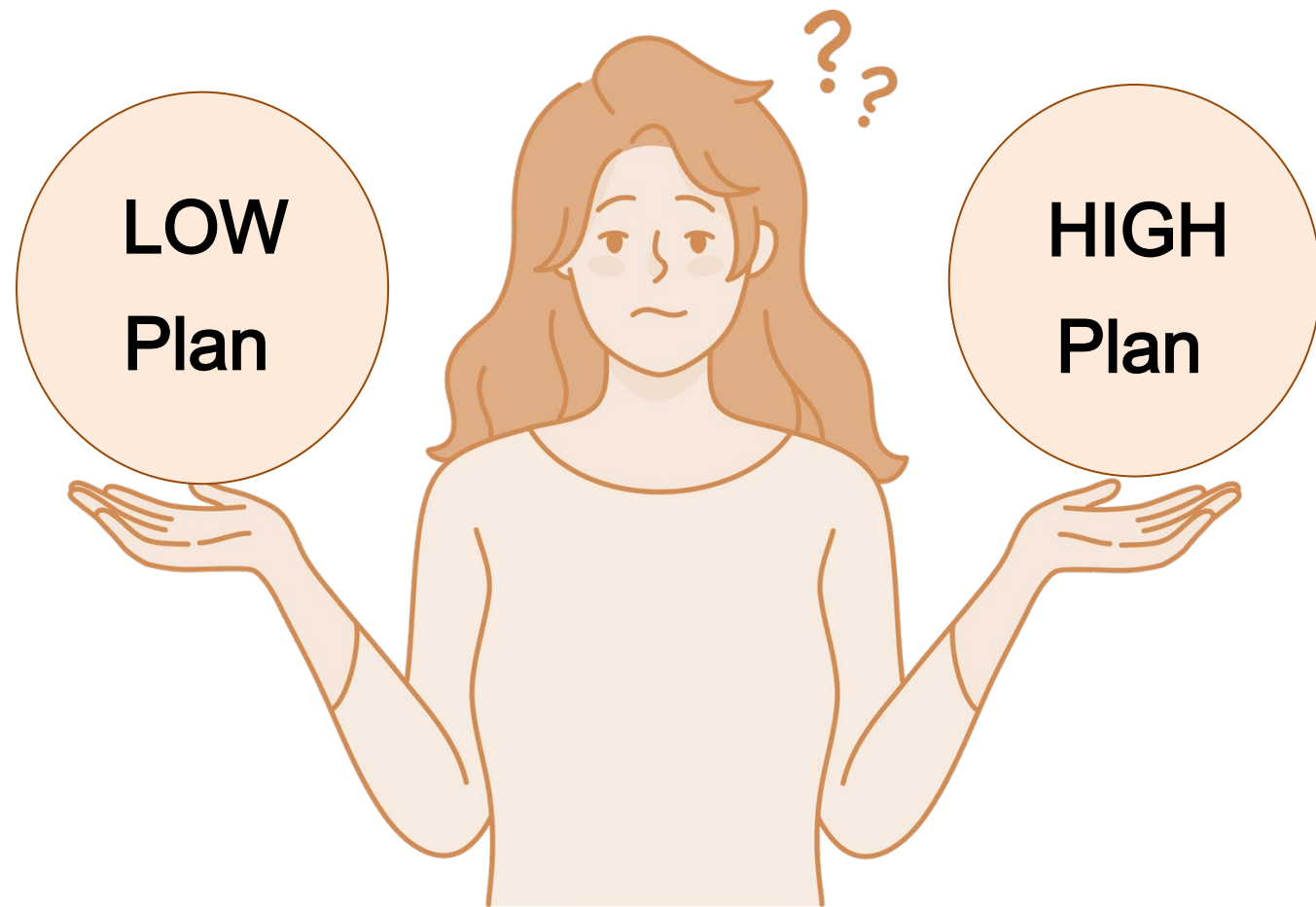


One of an HSA's biggest perks is that all funds carry over from year to year regardless of whether an individual remains HSA- eligible, which makes these accounts ideal for investing and retirement planning.



HSA's also helps to build savings for future medical expenses and allows greater flexibility over how you use your health care dollars.

# OrangePrime Plan Low Deductible Health Plan (LDHP)



Low-deductible health insurance plans carry a lower deductible, meaning that when you get sick, you pay less money upfront before your plan starts paying.



The low deductible plan has a deductible of \$1,250 for individual coverage and \$2,500 for family coverage in network.



The trade-off is that you'll pay more for your monthly premium when you have low-deductible coverage and does not have any contributions to Health Savings Account.



An obvious downside to these plans is that if you don't end up needing more extensive medical care, you'll have paid a higher monthly premium for nothing. The silver lining, however, is that low-deductible plans make managing and predicting health care expenses easier if you develop a serious illness, are injured or need surgery.




There's no large out-of-pocket expense to worry about since the deductible is lower.



A healthcare Flexible Spending Account can be used with the LDHP, to offset any unexpected OOP expenses but be careful, these accounts are "use-it-or-lose-it."

# How to Figure Out Which Plan is Right for You



Orange Prime  
vs  
Orange Prime  
Plus

# HDHP vs LDHP



## Consider Your Health Condition

If you're rarely sick or injured, you may be less likely to need anything more than preventive care, in which case a high-deductible plan could be the better fit.

On the other hand, a lower deductible may be more appealing if you're older, have a chronic health condition, or are pregnant or plan to have a child at some point, or you require pricey prescriptions for a health issue.



## Consider Your Budget

Consider how easily you'd be able to meet a higher deductible if necessary.

Ask yourself how much you'd be able to contribute towards an HSA each year.

(Note: Like other tax-advantaged accounts, HSAs have annual contribution limits: for 2024, \$4,150 for individuals and \$8,300 for those with family coverage.)



## Consider Affordability

With a low-deductible plan, think about how much you can afford to pay for the monthly premium. Weigh that against the value of being able to have health care services covered when you need them without having to hand over a significant amount for the deductible.

Consider if you can meet your expenses using the Employer Contribution towards your HSA - \$750 for individual contributors, \$1250 for family.

# HDHP VS LDHP Comparison Chart

Medical and Pharmacy Premiums		Bi-Weekly Rates		Annual HSA Contributions
Cigna	Total Premium	Employee Contribution	County Contribution	
HDHP Employee only	\$456.86	\$23.32	\$433.54	\$750.00
HDHP Employee + spouse	\$959.71	\$150.71	\$809.00	\$1,250.00
HDHP Employee + child(ren)	\$867.18	\$119.34	\$747.84	\$1,250.00
HDHP Employee + family	\$1,269.81	\$266.15	\$1,003.66	\$1,250.00
LDHP Employee only	\$497.65	\$38.85	\$458.80	\$0.00
LDHP Employee + spouse	\$1,023.89	\$180.71	\$843.18	\$0.00
LDHP Employee + child(ren)	\$932.49	\$147.17	\$785.32	\$0.00
LDHP Employee + family	\$1,357.06	\$310.24	\$1,046.82	\$0.00



# Let's do the Math!

Your coverage option also depends on budget.

## Monthly Premium Costs

HDHP Employee Only \$50.52/mo. X 12 = \$606.24 annually

LDHP Employee Only \$84.18/ mo. X 12 = \$1,010.16 annually

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## Deductible

Employee Only Coverage

	HDHP	LDHP
<b>Annual Deductible</b>	\$1,600	\$1,250
<b>Total Annual Employer HSA Contribution</b>	<b>(\$750)</b>	\$0.00
<b>Total Deductible Paid by EE</b>	<b>\$850</b>	\$1,250

All Other Coverage Tiers

	HDHP	LDHP
<b>Annual Deductible</b>	\$3,200	\$2,500
<b>Total Annual Employer HSA Contribution</b>	<b>(\$1,250)</b>	\$0.00
<b>Total Deductible Paid by EE</b>	<b>\$1,950</b>	\$2,500

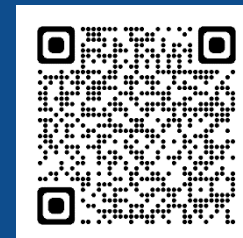
# CHOOSING A HEALTH PLAN JUST GOT EASIER



## Introducing the **NEW** CIGNA EASY CHOICE TOOL

The Cigna Easy Choice tool gives you personalized guidance to help you find your best fit medical plan.

You can use it from just about anywhere. All you have to do is answer a few quick questions about your needs and preferences. Then, you'll see available plans, ranked by what matters most to you. Compare your options side-by-side. Then print, save or email a handy checklist to use when you enroll.



<https://decisionsupport.cigna.com/login>

You'll need this access code to get started :

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**2024 Open Enrollment  
October 01 - 14th, 2023**

**Thank You!**

Visit Our OE Website  
[2024 Open Enrollment Website](#)

